



NEWS RELEASE

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FOR IMMEDIATE RELEASE

FORMER INSURANCE SALESMAN SENTENCED FOR \$110,000 BANK FRAUD

KANSAS CITY, Mo. – Bradley J. Schlozman, United States Attorney for the Western District of Missouri, announced that a former insurance salesman was sentenced in federal court today for a bank fraud scheme in which he bilked elderly victims in the Independence, Mo., area of their savings.

Donald Wayne Evans, 67, of Phoenix, Ariz., formerly of Kansas City, Mo., was sentenced by U.S. District Judge Howard F. Sachs this morning to one year and one day in federal prison without parole. The court also ordered **Evans** to pay \$103,061 in restitution, which represents the actual loss sustained by American General Life and Accident Insurance Company.

On Nov. 19, 2005, **Evans** pleaded guilty to bank fraud for defrauding Bank of America of Kansas City of approximately \$110,400 that was obtained from the bank under false pretenses. **Evans** admitted that he victimized elderly customers who had purchased life insurance policies from him.

Evans worked as a field representative for American General Life and Accident Insurance Company (AGLA) in the Independence area. Between Feb. 15, 1993, and September 1999, **Evans** – without authorization – made cash withdrawals and took out loans against life insurance policies held by his clients, some of whom were vulnerable due to age and health. **Evans** also diverted premium payments made by his clients, thereby defrauding AGLA and its policyholders of approximately \$110,400. All of the funds so obtained were used by **Evans** for his personal benefit.

Evans pleaded guilty to two specific charges that involve the sale of “cash-value” life insurance policies to two victims. Those policies accumulate cash value as premiums are paid on the policy, and allow the policy holders to borrow against that cash value or to have that amount fully or partially withdrawn. **Evans** made cash withdrawals or took out loans against life

insurance policies held by his AGLA clients without authorization. **Evans** received money from AGLA under false pretenses, by submitting fraudulent account information, causing AGLA to issue checks payable to the policy holders without their authorization or knowledge. **Evans** added the names of the policy holders to his own checking account at NationsBank (now Bank of America) in order to deposit those checks into his own bank account.

In order to accomplish this fraud scheme, Schlozman explained, **Evans** forged signatures on documents, opened fraudulent bank accounts jointly in his and his clients' names (into which he deposited the fraudulently-obtained funds) and electronically transmitted fraudulent change-of-address information regarding his clients to the AGLA, thereby concealing the fraud from the policyholders by causing statements, billing and other notices concerning the manipulated policies to be sent to him rather than the policy holders.

This case was prosecuted by Assistant U.S. Attorney Linda Parker Marshall. It was investigated by the U.S. Postal Inspection Service.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at
www.usdoj.gov/usao/mow/index.html